

## **ALTERNATE OFFER/SOURCE APPROVAL REQUEST (AO/SAR) PROGRAM BASICS:**

**Important information to qualify your Technical Data Package (TDP) for technical review, with the last six pages being a checklist of required data.**

### **WHAT IS AN ALTERNATE OFFER?**

An alternate offer is a package submitted for evaluation so your company can qualify to be listed as an approved source. It is submitted on National Stock Numbers (NSNs) that are code and part number buys.

If the AUTOMATED solicitation (a solicitation with the letter "T" or "U" in the NINTH position of the solicitation number) lists an approved manufacturer, you must provide that EXACT PRODUCT. This means the manufacturer's CAGE Code and EXACT part number. The item MUST BE MANUFACTURED BY OR UNDER THE DIRECTION OF the company listed as approved, or a CURRENT CONTRACTURAL RELATIONSHIP with THE MANUFACTURER must be evidenced in order to qualify as a BID WITHOUT EXCEPTION. If you wish to supply anything that is not the approved CAGE and P/N, your submission will be considered a BID WITH EXCEPTION or an AO/SAR. AO/SARs will NOT be considered for instant procurement under "T" and "U" solicitations (excluding Indefinite Delivery Purchase Orders (IDPOs)) and are only considered for future procurements.

AO/SARs WILL be considered for ALL MANUAL procurements and should be sent to the buyer if the non-automated solicitation is OPEN. They also may be submitted to me for acceptance for future procurements at ANY time, regardless of whether or not an open solicitation for the item has been issued. Your MUST provide the NSN AND ESTIMATED UNIT PRICE even if a recent bid was sent. Usually, including a copy of your DIBBS quote accomplishes this. The TDPs are evaluated on a cost savings basis and quote submission is mandatory. You may submit your TDP to the Directorate of Procurement, Alternate Offer Liaison, DSCC-BPPB, Attn: Lee Leon.

### **WHAT IS NEEDED TO QUALIFY MY TDP FOR REVIEW?**

**Our initial evaluation criteria is SAVINGS THRESHOLD, which must be met or exceeded**

A savings threshold is the total dollars saved, comparing your proposed unit price to our average price, for the armed services actual demands over a four quarter time period, updated quarterly. Savings thresholds are \$200 if evaluated at **DSCC ONLY (NON-CRITICAL ITEMS)**. When your TDP must be forwarded to the Engineering Support Activity (ESA) for further evaluation, \$1,500 PER ESA is added for a total of \$1,700-6,200.

### **Savings Threshold Calculation**

	Gov't Price (Material Acquisition Unit Cost)
-	<u>Proposed Unit Price</u>
=	Per Unit Dollar Savings
X	<u>Annual Demand</u>

## = SAVINGS THRESHOLD

### **Technical information that is required:**

Offerors must furnish legible and complete copies of all drawings, specifications or other data necessary to clearly describe the characteristics and features of the product being offered, as required under the provision (DLAD Provision 52.217.9002, Condition For Evaluation and Acceptance of Offers for Part Numbered Items). Data submitted must cover design, materials, performance, function, interchangeability, inspection and or testing criteria and other characteristics of the offered product. In addition to information regarding the offered product, **the offeror must furnish drawings and/or other data covering the design, materials, etc., of the exact product cited in the Acquisition Item Description (AID) when the data is not locally available to the procurement activity.** This enables the technician to determine that the Offerors' product is equal to the product cited in the AID. If the technician determines the offer must be evaluated by the ESA and the dollar threshold is not exceeded or the TDP is deemed incomplete, the offer should be returned to the contractor with an explanation of the rejection.

### **Further requirements for technical info**

#### **QUESTION:**

**If a certain vendor has control of the tooling for a part number how do I compete if there are no drawings available for parts we want to produce? How do I get to see the drawings so I can compete with whoever has the tooling?**

An important fact is that, in submitting an alternate offer, the burden is upon the person/company submitting the TDP, to prove that the alternate item meets or exceeds the Government's minimum requirements. As the military services turn over items to DSCC to manage, they send the available data. Frequently, the services did not purchase the rights to the data originally or they have left configuration control in the hands of the OEM. Also, we are maintaining World War II/Korean vintage systems and the data has been lost over time or is not fully legible. As a result we have adequate data on 15-20% on the items we buy. "Adequate" means drawings that a manufacturer can use to make the required part. Consequently, much of the materials we procure are approved manufacturer part numbers.

### **HOW DO I FIND OPPORTUNITIES TO BECOME AN APPROVED SOURCE?**

- Search the website to find opportunities that match your companies' capabilities.
- Use PTAC's (Procurement Technical Assistance Centers)
- Haystack Informational System (available through your PTAC).
- Reverse Engineering-P.O.C. Dan Bonner 614-692-4203.
- Identify NSNs that are sole or limited-source.

## **P.O.C. s and WEBSITES**

### DIBBS INFORMATION:

**<https://www.dibbs.bsm.dla.mil/>**

### ONLINE BID SET INFORMATION:

**<https://pcf1.bsm.dla.mil/cfolders>**

**Phone # – 1-866-335-4357**

### ALTERNATE OFFERS:

**Emile.Leon@dla.mil**

**P.O.C. - Lee Leon 614-692-1384**

**Fax # 614-692-3526**

### My Mailing Address:

**DEFENSE SUPPLY CENTER, COLUMBUS**

**DSCC-BPPB, ATTN: Lee Leon**

**P.O. Box 3990**

**COLUMBUS, OH 43218-3990**

**NOTE: when using UPS or FEDEX, the ZIP is 43213**

### TECHNICAL QUESTIONS:

**Contact the applicable Product Specialist or**

**If necessary, Lee Leon or the Business Counseling Center**

**@1-800-262-3272**

## TECHNICAL DATA PACKAGE SET-UP

### Alternate Offer/Source Approval Request (AO/SAR) CATEGORY:

I. SAME PART

II. SIMILAR PART (EQUIVALENT)

III. NEW MANUFACTURE

<u><b>APPENDIX</b></u>	<u><b>REQUIREMENT</b></u>	<u><b>I</b></u>	<u><b>II</b></u>	<u><b>III</b></u>
<b>A</b>	<b>COVER LETTER</b>	<b>X</b>	<b>X</b>	<b>X</b>
<b>B</b>	<b>QUALIFICATION PART DRAWINGS</b>	<b>X</b>	<b>X</b>	<b>X</b>
<b>C</b>	<b>QUALIFICATION PART DETAILED MANUFACTURING PLAN</b>	<b>X</b>	<b>X</b>	<b>X</b>
<b>D</b>	<b>MASTER TOOLING CERTIFICATION</b>	<b>X</b>	<b>X</b>	<b>X</b>
<b>E</b>	<b>DATA CERTIFICATION</b>	<b>X</b>	<b>X</b>	<b>X</b>
<b>F</b>	<b>QUALIFICATION PART SUBCONTRACTOR/VENDOR LIST</b>	<b>X</b>	<b>X</b>	<b>X</b>
<b>G</b>	<b>QUALIFICATION PART SHIPPING DOCS</b>	<b>X</b>		
<b>H</b>	<b>SIMILAR (EQUIVALENT) PART DRAWINGS</b>		<b>X</b>	
<b>I</b>	<b>SIMILAR (EQUIVALENT) PART SHIPPING DOCS</b>		<b>X</b>	
<b>J</b>	<b>COMPARATIVE ANALYSIS</b>		<b>X</b>	
<b>K</b>	<b>SIMILAR (EQUIVALENT) DETAILED MANUFACTURING PLAN</b>		<b>X</b>	
<b>L</b>	<b>SIMILAR (EQUIVALENT) PART SUBCONTRACTOR/VENDOR LIST</b>		<b>X</b>	
<b>M</b>	<b>TEST PLANS</b>			<b>X</b>
<b>N</b>	<b>LICENSEE AGREEMENT</b>	<b>X</b>	<b>X</b>	<b>X</b>
<b>O</b>	<b>SUMMARIZATION, QUALITY, DEFICIENCY</b>	<b>X</b>	<b>X</b>	
<b>P</b>	<b>INSPECTION METHOD SHEETS</b>	<b>X</b>	<b>X</b>	<b>X</b>
<b>Q</b>	<b>ENGINE PART SPECIAL REQUIREMENTS</b>	<b>X</b>	<b>X</b>	<b>X</b>
<b>R</b>	<b>TECHNICAL BRIEFING (if required)</b>			<b>X</b>
<b>S</b>	<b>SAMPLE PART</b>			<b>X</b>
<b>T</b>	<b>VALUE ADDED</b>	<b>X</b>	<b>X</b>	<b>X</b>

The Contractor should first select which category is appropriate for the part they wish to become approved to manufacture. The Contractor then must provide in the AO/SAR all requirements that are checked under the category selected. If a requirement does not exist for a specific part (e.g. no Test Plan Required) then provide a statement to that fact.

## ALTERNATE OFFER/SOURCE APPROVAL REQUEST (AO/SAR) CHECKLIST

Submit the data arranged to correlate to the Category applicable. These are the three categories involving AO/SAR evaluation/approval:

- I – **SAME ITEM**: The item for which your company is seeking approval has been previously supplied by you to the Original Equipment Manufacturer (OEM).
- II – **SIMILAR ITEM**: The item for which your company is seeking approval has never been supplied by you to the OEM or military services, but a similar item has been previously supplied to one of the aforementioned.
- III – **NEW ITEM**: NEITHER the item for which your company is seeking approval, nor any similar item, has ever been supplied to the OEM or military services.

If the alternate source is a dealer or supplier (a non manufacturing source) of the item for which the offeror is seeking approval, the category of the actual manufacturer supplying parts to the dealer or supplier will apply for the purpose of evaluation procedures. An actual manufacturer is defined as that vendor with plant equipment and personnel necessary to manufacture, on the premises, the item for which alternate source approval is being requested. The name and address of the manufacturer must be provided for consideration for source approval. The source evaluation/approval procedures apply only to newly-manufactured items. Surplus offers will not be covered by these procedures.

Submission of the requested information does not guarantee approval. Additional information, documentation or samples may be required in any of the categories to allow for further evaluation of the submitting company's request for source approval. Regardless of the category, a site survey visit of the facility may be conducted to further evaluate their capabilities.

### INCLUDE THE FOLLOWING INFORMATION FOR ALL CATEGORY I, II & III SUBMISSIONS:

- (1) Current brochures or synopses of the company's capabilities. Identify if the company seeking approval is a non manufacturing source or the actual manufacturer.
  - a. Cover letter with your company's name, address, telephone number and CAGE.
  - b. Category under which your SAR is being submitted.
  - c. Proposed unit price for the item, including price breaks for quantity if applicable.
  - d. Nomenclature, National Stock Number (NSN) and part number.
  - e. Supply company point of contact.
  - f. Package table of contents.
  - g. Prime Contractor's name, address, CAGE, part number, (dash number if applicable), revision, nomenclature, NSN and weapons system.
- (2) When a source identified must perform to a prime contractor's specifications, that source shall be approved for the specific process by the prime contractor. It is recommended that, wherever available, certifications from the prime contractor be provided, since submittal of this evidence of capability will assist in expediting the processing of the AO/SAR. If the company requesting source approval plans to use a sub vendor not currently approved by the prime, the AO/SAR provided to the Military Service must include complete documentation substantiating the capabilities and qualifications of the sub vendor. It should be noted, however, that additional testing will in most cases be required.

- (3) Description of Quality Program (e.g., ISO 9000, OEM quality rating) and a copy of the

company's Quality Assurance Manual. In addition, a copy of the latest survey results performed by a Government Agency and/or prime contractor. Including site or pre-award surveys.

- a. Provide copy of current quality rating with Prime Manufacturer.
- b. Provide copy of quality rating.

- (4) Compliance with Certification Statement (must be executed exactly as it appears below and submitted with each package).

### **CERTIFICATION**

I hereby represent and certify that the technical data that (name of firm) intends to use or has used to manufacture (name of actual manufacturer, part number and nomenclature) under any resulting contract was obtained or developed in a legal manner and that (name of firm) has the right to use the data to manufacture (part number, nomenclature) for the U. S. Government. All applicable specifications required to manufacture this item are in the possession of (name of firm)

(signature)\*      (date)  
(typed or printed name)

\*Signed by an officer of the corporation defined by laws of state of incorporation and who is authorized to sign on behalf of the company.

- (5) A complete listing of sub-vendors (if applicable), including material sources and the process (such as forging, casting, heat treating, etc.) they will perform for the subject part. Include processes to be performed at your facility.
- (6) First Article Test Data (if applicable)
  - a. Provide estimated days for Production of First Article Sample
  - b. Provide estimated days for Production Delivery Lead-time after First Article approval.

### **INFORMATION NECESSARY FOR CATEGORY I SUBMISSION:**

- (1) Complete set of current configuration drawings required to manufacture the item, including testing procedures. This shall include copies of the associated specifications or verification that the company has all required specifications in their possession.
  - a. Include forging/casting drawings or Certification Statement verifying that they can be obtained at award of contract.
  - b. Certification of possession of, or access to, any required master tooling, mylars, glass layouts, airfoil data, special tooling/test.
  - c. Equipment, proof of calibration and applicability to drawings.
- (2) Copies of detailed process/operation sheets used to manufacture the item including, but not limited to, detailed shop sketches used in manufacturing.
- (3) Most recent copies of purchase orders or shipping documents to OEM. When available attach a copy of the current "Requirements Control Card/Quality Assurance Document".

**FOR PRATT & WHITNEY PARTS ONLY:** Include Quality Assurance Data (QAD) for Part Number \_\_\_\_\_, including acceptance test procedures, if applicable, and copy of Requirement Control (RC) Card for part number \_\_\_\_\_.

- (4) Summarization of quality deficiencies experienced in the past two years of manufacture.

Include data relative to sub-vendors, Nonconforming Material and Material Review Board (MRB) actions and resolutions, when applicable, and/or previous contract if not within the last two years.

- (5) Copy of inspection method sheets used in manufacturing and final inspection. Sheets must be authenticated by a quality stamp, no blanks accepted.
- (6) Identification of “value added” by the prime contractor. Value added means all support provided by the prime contractor during the performance of the contract.

#### **INFORMATION NECESSARY FOR CATEGORY II SUBMISSION:**

You may submit one or more similar items; include Part Number, CAGE, revision, nomenclature, NSN, prime contractor and weapon system. Supply company point of contact.

- (1) Complete set of current configuration drawings for the item for which the company is seeking source approval.
  - a. Include forging/casting drawings or Certification Statement verifying that they can be obtained at award of contract.
  - b. Certification of possession of, or access to any required master tooling, mylars, glass layouts, airfoil data, special tooling/test.
  - c. Equipment, proof of calibration and applicability to drawings.
- (2) Complete set of current configuration drawings for the similar item for which the company seeking source approval is currently approved.
- (3) Copies of detailed process/operation sheets used to manufacture the similar item including, but not limited to, detailed shop sketches used in manufacturing.
- (4) Copies of purchase orders or shipping documents to OEM or military services for the similar item. When available, attach a copy of the current “Requirements Control Card/Quality Assurance Document”.

**FOR PRATT & WHITNEY PARTS ONLY:** Include Quality Assurance Data (QAD) for Part Number \_\_\_\_\_, including acceptance test procedures, if applicable, and copy of Requirement Control (RC) Card for part number \_\_\_\_\_.

- (5) Identification of the difference between similar items and the item the company is seeking approval to manufacture (See attachment 1).
- (6) Summarization of quality deficiencies experienced in the past two years during manufacture of similar items. Include data relative to sub-vendors, Nonconforming Material, MRB actions and resolutions, when applicable, and/or previous contracts if not within the last two years.
- (7) Copy of inspection method sheets used in manufacturing and final inspection of the similar item. Sheets must be authenticated with inspection stamp, no blanks accepted.
- (8) Identification of “value added” by the prime contractor. Value added means all support provided by the prime contractor during the performance of the contract.

#### **INFORMATION NECESSARY FOR CATEGORY III SUBMISSION:**

- (1) Complete set of current configuration drawings for the item for which the company is seeking approval.**
- (2) Identification of process/operations the company intends to use in the manufacture of the item.**
- (3) Identification of acceptance test/inspection procedures the company intends to incorporate and independent test labs, including name, the company intends to use.**
- (4) Technical briefing, if requested.**
- (5) Submission of samples by the company seeking source approval may be required. Advise on ability to supply.**

**If any of the information specified in the above paragraphs cannot be provided by the prospective source(s), the Defense Supply Center shall reject the AO\SAR, advising the contractor of what data are missing. AO/SARs which do not contain the above listed data should not be forwarded to the Military Service.**



## DIFFERENCES BETWEEN SIMILAR PART AND REQUIRED PART

**NOTE: Required part refers to the part for which you are requesting source approval**

<u>DESCRIPTION CHARACTERISTIC</u>	<u>SIMILAR</u>	<u>REQUIRED</u>
<b>1. General:</b>		
A. Part number	_____	_____
B. Nomenclature	_____	_____
C. Application	_____	_____
D. Material	_____	_____
E. Rotating Part	_____	_____
F. Max Length or Diameter	_____	_____
G. Tightest Tolerance	_____	_____
H. Smoothest Surface Finish	_____	_____
<b>2. Quality Assurance Techniques (i.e, FPI, MPI, Radiographic Inspection, etc.)</b>	_____	_____
	_____	_____
<b>3. Heat Treats</b>	_____	_____
	_____	_____
<b>4. Joining (i.e., Brazing, TIG, etc.)</b>	_____	_____
	_____	_____

**DIFFERENCES BETWEEN SIMILAR PART AND REQUIRED PART  
(continued)**

<b><u>DESCRIPTION CHARACTERISTIC</u></b>	<b><u>SIMILAR</u></b>	<b><u>REQUIRED</u></b>
<b>5. Surface treatments (i.e., Diffusion Coating, Coating, Black Oxide, etc.)</b>	_____	_____
	_____	_____
<b>6. Nonconventional Material Removal (i.e., EDM, Laser Machining and Drilling)</b>	_____	_____
	_____	_____
<b>7. For Gears</b>		
<b>A. Type</b>	_____	_____
<b>B. Number of Teeth</b>	_____	_____
<b>C. Outside Diameter</b>	_____	_____
<b>D. Diametrical Pitch</b>	_____	_____
<b>E. Pressure Angle</b>	_____	_____
<b>F. Pressure Angle</b>	_____	_____
<b>G. Case/Core Hardness</b>	_____	_____

**Additional Comments:**

**NOTE: All Prime Certified Processes and Inspection must be listed**

*Value added-any process that your company does to add to the value of the item  
incurred processing cost to make the item fit our requirements*

**ATTACHMENT 1**